

Investment Management Services



Notice

Fund Manager Russell Investments Canada Ltd.

Date May 2017

Notice

Russell Investments Canada Ltd. (Russell Investments) has announced the below portfolio name changes:

Former Name	New Name
Russell LifePoints Balanced Income	Russell Multi-Asset Income Strategy
Russell Lifepoints Balanced Growth	Russell Investments Balanced Growth
Russell LifePoints Long-Term Growth	Russell Investments Long-Term Growth

In addition, Russell Investments has made the following asset allocation changes to the portfolios:

- (i) The Russell Investments Balanced Growth and Russell Investments Long-Term Growth portfolios will now have exposure to a dedicated global equity factor exposure with the addition of the Russell Investments Multi-Factor International Equity Pool to both mandates.
- (ii) The Russell Investments Multi-Asset Income Strategy saw a shift from Canadian to global fixed income and equity instruments, the addition of a broader selection of fixed income asset classes, an increase in real assets and absolute return strategies and the introduction of a tactical positioning strategy managed by Russell.

Products Affected

Russell Multi-Asset Income Strategy (GBRS)

Russell Investments Balanced Growth (GBRS)

Russell Investments Long-Term Growth (GBRS)

Impact

The name changes do not directly impact or reflect any changes in the portfolios' investment objectives or processes.

The Russell Investments Multi-Factor International Equity Pool has been added to the Russell Investments Balanced Growth and Russell Investments Long-Term Growth portfolios as a 4% and 5% portfolio weight respectively, with the potential for incremental additions over time. The pool provides exposure to companies outside of Canada and the US and selects investments based on four factors: value, momentum, quality and low volatility. The addition of the international strategy does not affect the overall objective of the portfolios.

For Advisor / GBRS Client Use Only - *not for use with the public*. The i-Watch® Alert and i-Watch® Notice are Manulife Investment Management Services ('IMS') publications. The information contained herein is neither all-inclusive nor guaranteed by IMS and is subject to change as market and other conditions warrant. This report is for information purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any individual investment. No part of this publication may be reproduced in any manner without the prior written consent of IMS and / or The Manufacturers Life Insurance Company (Manulife).

Manulife, the Block Design, the Four Cubes Design, Strong Reliable Trustworthy Forward-thinking, Investment Watch, on-Watch, i-Watch® and the i-Watch® logo are the registered trademarks of The Manufacturers Life Insurance Company (Manulife) and are used by it, and by its affiliates under license.



Investment Management Services



Notice

Although the objective of the Russell Multi-Asset Income Strategy remains unchanged, various changes were made to the mandate which are outlined below:

Asset Class	Changes
Equities	<ul style="list-style-type: none">• Reduced Canadian-bias• Added global small cap equity exposure• Added Russell Investments Positioning Strategy (to allow for tactical tilts)
Real Assets	<ul style="list-style-type: none">• Increased infrastructure and real estate weighting• Added commodity allocation
Fixed Income	<ul style="list-style-type: none">• Reduced core investment-grade fixed income weight• Added inflation-linked bonds exposure• Added convertible bonds exposure
Absolute Return	<ul style="list-style-type: none">• Added global unconstrained bonds exposure

Closing Remarks

IMS has had the opportunity to discuss all the changes with the investment team and has no major concerns.

IMS is comfortable with the addition of the Russell Investments Multi-Factor International Equity Pool to the Russell Investments Balanced Growth and Russell Investments Long-Term Growth portfolios and considers the current exposures to be reasonable. The addition of the pool has not resulted in any material changes to the underlying investment philosophy or process of the portfolios.

IMS also considers the changes to the Russell Investments Multi-Asset Income Strategy to be reasonable. However, as the changes to the portfolio are more significant, IMS will continue to closely monitor the mandate's increased exposure to foreign markets and non-traditional asset classes and broader range of fixed income instruments to ensure that the strategy maintains its objective of long-term capital growth with a focus on income and risk management and to ensure that the overall philosophy and exposure that client's had come to expect is being maintained.

For Advisor / GBRS Client Use Only - *not for use with the public*. The i-Watch® Alert and i-Watch® Notice are Manulife Investment Management Services ('IMS') publications. The information contained herein is neither all-inclusive nor guaranteed by IMS and is subject to change as market and other conditions warrant. This report is for information purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any individual investment. No part of this publication may be reproduced in any manner without the prior written consent of IMS and / or The Manufacturers Life Insurance Company (Manulife).

Manulife, the Block Design, the Four Cubes Design, Strong Reliable Trustworthy Forward-thinking, Investment Watch, on-Watch, i-Watch® and the i-Watch® logo are the registered trademarks of The Manufacturers Life Insurance Company (Manulife) and are used by it, and by its affiliates under license.

